

**MICHIGAN DEPARTMENT OF AGRICULTURE (MDA)  
AG EQUINE INDUSTRY DEVELOPMENT FUND**

**FY 2008 STATUS REPORT**

Period: October 2007 – April 2008

- FY 2008 AG Equine Fund status report:

	<u>Initial Projection</u>	<u>YTD Projection</u>	<u>Variance</u>
+ Carry Forward	\$ 66,375	\$ 66,375	\$ -
+ Simulcast Tax and Fees	\$ 7,500,000	\$ 7,959,202	\$ 459,202
+ Casino Tax Revenue	\$ 2,200,000	\$ 2,258,005	\$ 58,005
+ Uncashed Tickets	\$ 700,000	\$ 532,847	\$ (167,153)
<b>Total Revenue</b>	<b>\$ 10,466,375</b>	<b>\$ 10,816,429</b>	<b>\$ 350,054</b>
	<u>Appropriation</u>	<u>Spending Target</u>	
- Thoroughbred Program	\$ 3,354,000	\$ 2,683,200	\$ (670,800)
- Standardbred Program	\$ 5,974,300	\$ 5,109,268	\$ (865,032)
- Light Horse Program	\$ 132,000	\$ 105,600	\$ (26,400)
- Animal Industry TB	\$ 2,183,600	\$ 2,183,600	\$ -
- Dept.of Information Technology	\$ 208,100	\$ 166,480	\$ (41,620)
- Uncashed Tickets	\$ 700,000	\$ 532,847	\$ (167,153)
<b>Total Expenditures</b> <sup>1</sup>	<b>\$ 12,552,000</b>	<b>\$ 10,780,995</b>	<b>\$ (1,771,005)</b>
<b>Projected Surplus/Deficit</b>	<b>\$ (2,085,625)</b>	<b>\$ 35,434</b>	

<sup>1</sup> Initial Expenditure Total based on FY/08 Appropriations Bill (PA 128 of 2007) for Agriculture Equine Dev. Fund

Initial Projections:

- The total simulcast Projections for FY/08 was set at \$7,500,000 and is a reduction of \$1,500,000 from the \$9,000,000 in FY/07. This reflects the closing of the facilities at Great Lakes Downs in November of 2007 with a loss of approximately \$330,000 in revenue for this fiscal year. The projection also reflects a reduction in Simulcast Handle of approximately 14% in calendar year 2007 when compared to 2006 due to the state's economy.
- In FY/05 a portion of the Casino Wagering Tax was allocated to the AG Equine Industry Development Fund. For the period October 2007 through December 2007 the Casino Tax revenue was \$989,212. However, for the remaining nine months of the fiscal year, this tax revenue will decrease to approximately \$140,000 each month. The decrease is due to a stipulation in the casino law that the tax is no longer paid when the casinos open their permanent facilities. With the January 2008 opening of the Motor City Casino, Greek Town will be the only casino without a permanent facility.

YTD Projections:

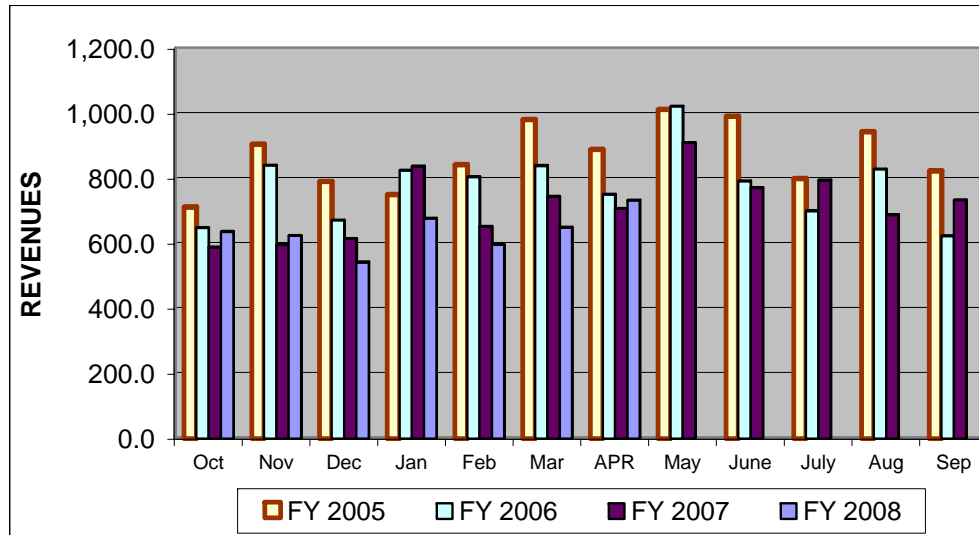
- The YTD projections reflect expenditures being reduced below 2008 appropriation levels based on anticipated revenue levels.

Questions or comments regarding this information may be directed to Rich Ludwig, MDA Finance Division at (517) 373-9759 or e-mail at ludwigr@michigan.gov.

# AG EQUINE INDUSTRY DEVELOPMENT FUND

(in thousands)

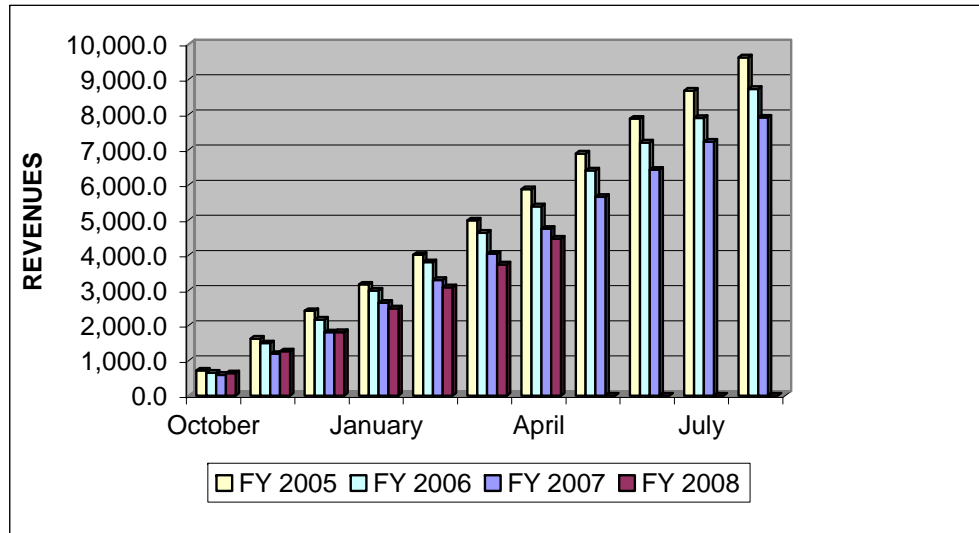
## MONTHLY COMPARISON - Simulcast Tax & Fees:



## MONTHLY COMPARISON - Simulcast Tax & Fees:

	FY 2005	FY 2006	FY 2007	FY 2008
Oct	712.3	648.1	589.0	637.0
Nov	905.7	840.8	596.4	624.7
Dec	790.7	672.2	615.7	542.9
Jan	750.8	825.5	838.0	677.3
Feb	843.3	805.5	653.2	596.9
Mar	981.4	839.7	745.0	649.7
APR	889.4	751.7	707.9	733.7
May	1,012.8	1,022.5	910.7	
June	992.0	792.5	771.4	
July	800.4	700.9	795.0	
Aug	944.4	828.9	688.8	
Sep	823.5	623.6	733.9	
<b>TOTAL</b>	<b>10,446.7</b>	<b>9,351.9</b>	<b>8,645.0</b>	<b>4,462.2</b>

## YTD CUMULATIVE COMPARISON - Simulcast Tax & Fees:



## YTD COMPARISON - Simulcast Tax & Fees:

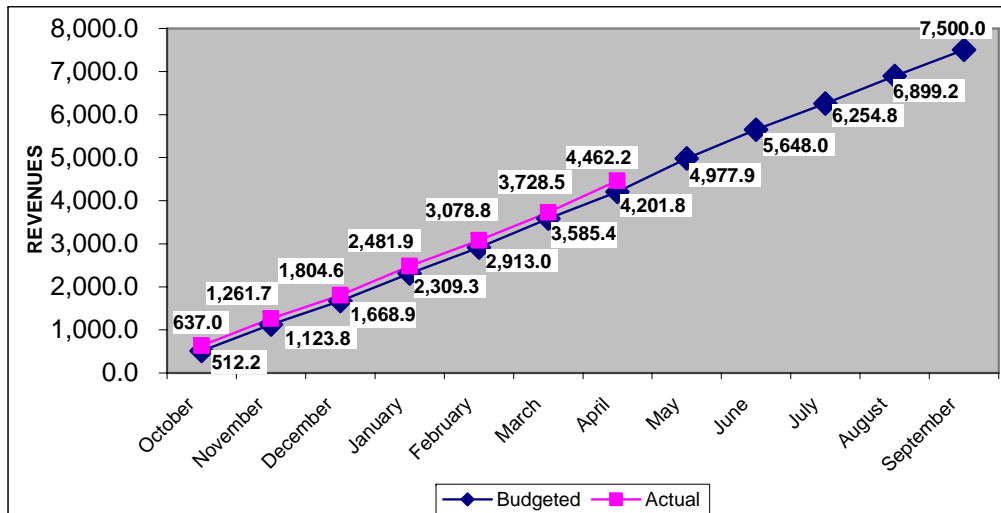
	FY 2005	FY 2006	FY 2007	FY 2008	% Change FY/08 vs FY/07
October	712.3	648.1	589.0	637.0	8.1%
November	1,618.0	1,488.9	1,185.4	1,261.7	6.4%
December	2,408.7	2,161.1	1,801.1	1,804.6	0.2%
January	3,159.5	2,986.6	2,639.1	2,481.9	-6.0%
February	4,002.8	3,792.1	3,292.3	3,078.8	-6.5%
March	4,984.2	4,631.8	4,037.3	3,728.5	-7.6%
April	5,873.6	5,383.5	4,745.2	4,462.2	-6.0%
May	6,886.4	6,406.0	5,655.9	0.0	-100.0%
June	7,878.4	7,198.5	6,427.3	0.0	-100.0%
July	8,678.8	7,899.4	7,222.3	0.0	-100.0%
August	9,623.2	8,728.3	7,911.1	0.0	-100.0%
September	10,446.7	9,351.9	8,645.0	0.0	-100.0%

## AG EQUINE INDUSTRY DEVELOPMENT FUND

(in thousands)

### FY 2008 BUDGETED vs. ACTUAL: CUMULATIVE

For Simulcast Tax and Fees:



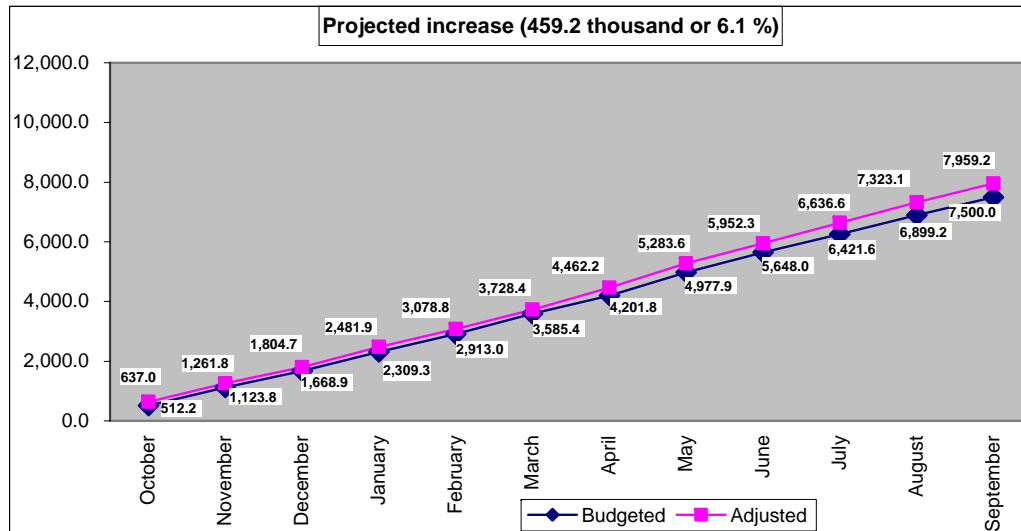
### FY 08 BUDGETED vs. ACTUAL - CUMULATIVE

For Simulcast Tax and Fees:

	Budgeted	Actual	VARIANCE	
			\$	%
October	512.2	637.0	124.8	24.4%
November	1,123.8	1,261.7	137.9	12.3%
December	1,668.9	1,804.6	135.7	8.1%
January	2,309.3	2,481.9	172.6	7.5%
February	2,913.0	3,078.8	165.8	5.7%
March	3,585.4	3,728.5	143.1	4.0%
April	4,201.8	4,462.2	260.4	6.2%
May	4,977.9			
June	5,648.0			
July	6,254.8			
August	6,899.2			
September	7,500.0			

### FY 2008 PROJECTION: BUDGETED vs. ADJUSTED

BASED ON ACTUAL REVENUES COLLECTED FOR SIMULCAST TAX & Fees



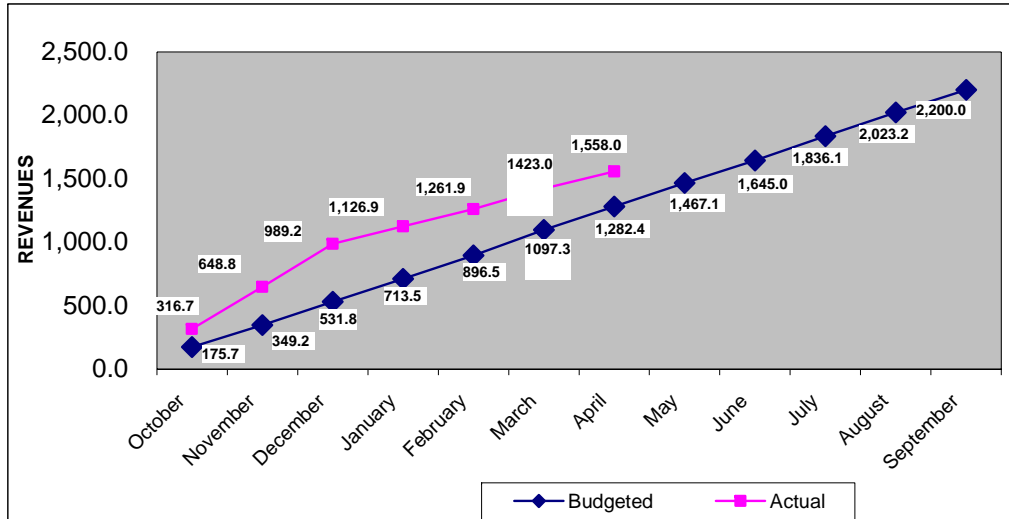
### FY 08 PROJECTION - ADJUSTED BASED ON ACTUAL

For Simulcast Tax and Fees:

	Budgeted	Adjusted		
			\$	%
October	512.2	637.0	124.8	24.4%
November	1,123.8	1,261.8	137.9	12.3%
December	1,668.9	1,804.7	135.8	8.1%
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February	2,913.0	3,078.8	165.8	5.7%
March	3,585.4	3,728.4	143.0	4.0%
April	4,201.8	4,462.2	260.4	6.2%
May	4,977.9	5,283.6	305.7	6.1%
June	5,648.0	5,952.3	304.3	5.4%
July	6,254.8	6,636.6	381.7	6.1%
August	6,899.2	7,323.1	423.9	6.1%
September	7,500.0	7,959.2	459.2	6.1%

# AG EQUINE INDUSTRY DEVELOPMENT FUND (in thousands)

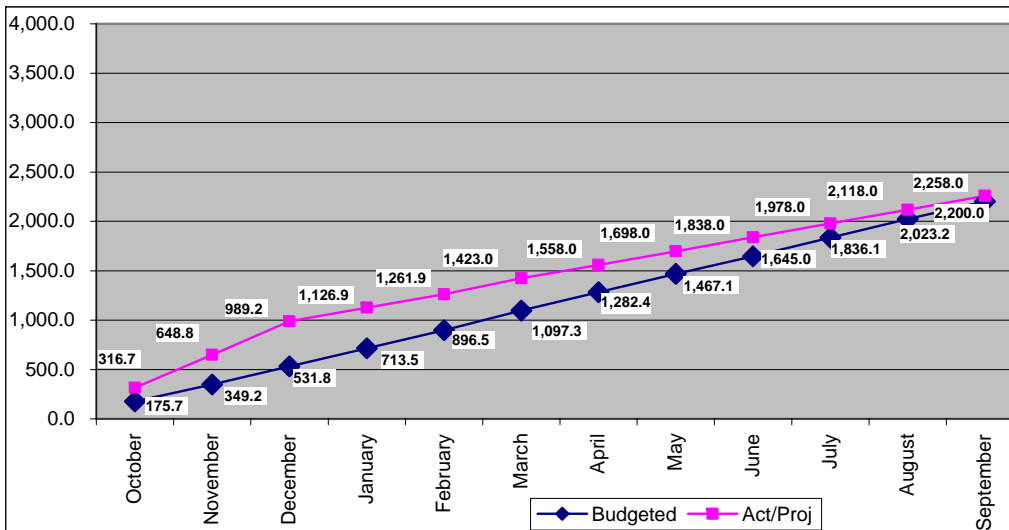
## FY 2008 BUDGETED vs. ACTUAL: CUMULATIVE For Casino Tax revenue:



## FY 08 BUDGETED vs. ACTUAL - CUMULATIVE For Casino Tax revenue:

	Budgeted	Actual	VARIANCE	
			\$	%
October	175.7	316.7	141.0	80.3%
November	349.2	648.8	299.6	85.8%
December	531.8	989.2	457.4	86.0%
January	713.5	1,126.9	413.4	57.9%
February	896.5	1,261.9	365.4	40.8%
March	1,097.3	1,423.0	325.7	29.7%
April	1,282.4	1,558.0	275.6	21.5%
May	1,467.1	1,467.1		
June	1,645.0	1,645.0		
July	1,836.1	1,836.1		
August	2,023.2	2,023.2		
September	2,200.0	2,200.0		

## FY 2008 PROJECTION: BUDGETED vs. ADJUSTED BASED ON ACTUAL REVENUES COLLECTED FOR CASINO TAX REVENUE



## FY 08 PROJECTION - ADJUSTED BASED ON ACTUAL For Casino Tax Revenue:

	Budgeted	Act/Proj	Variance	
			\$	%
October	175.7	316.7	141.0	80.3%
November	349.2	648.8	299.6	85.8%
December	531.8	989.2	457.4	86.0%
January	713.5	1,126.9	413.4	57.9%
February	896.5	1,261.9	365.4	40.8%
March	1,097.3	1,423.0	325.7	29.7%
April	1,282.4	1,558.0	275.6	21.5%
May	1,467.1	1,698.0	230.9	15.7%
June	1,645.0	1,838.0	193.0	11.7%
July	1,836.1	1,978.0	141.9	7.7%
August	2,023.2	2,118.0	94.8	4.7%
September	2,200.0	2,258.0	58.0	2.6%

AG EQUINE INDUSTRY DEVELOPMENT FUND  
FY 2008 REVENUE PROJECTIONS (Simulcast Taxes + Fines/fees & Casino Tax)

BY MONTH....

	FISCAL 2005				FISCAL 2006				FISCAL 2007				FISCAL 2008 (Projected)				FISCAL 2008 ACTUAL			SIMULCAST VARIANCE		CASINO TAX VARIANCE	
	SIMULCAST		CASINO TAX		SIMULCAST		CASINO TAX		SIMULCAST		CASINO TAX		Simulcast	3 YR AVG	Casino Tax	3 YR AVG	Simulcast	Casino Tax	TOTAL	VARIANCE		VARIANCE	
	REVS	%	REVS	%	REVS	%	REVS	%	REVS	%	REVS	%	REVS	%	REVS	%	REVS	REVS	TOTAL	\$	%	\$	%
October	712,325	6.8%	479,385	8.0%	648,132	6.9%	526,163	8.2%	589,027	6.8%	514,400	7.8%	512,227	6.8%	175,694	8.0%	637,008	316,718	953,726	124,781	24.4%	141,024	80.3%
November	905,728	8.7%	467,250	7.8%	840,838	8.9%	493,767	7.7%	596,372	6.9%	541,412	8.2%	611,602	8.2%	173,527	7.9%	624,743	332,109	956,852	13,140	2.1%	158,583	91.4%
Dec	790,710	7.6%	478,968	7.9%	672,209	7.1%	523,139	8.1%	615,726	7.1%	579,771	8.8%	545,074	7.3%	182,577	8.3%	542,914	340,386	883,300	(2,160)	-0.4%	157,808	86.4%
Jan	750,825	7.2%	503,208	8.4%	825,515	8.7%	521,724	8.1%	837,966	9.7%	546,977	8.3%	640,346	8.5%	181,714	8.3%	677,231	137,675	814,905	36,884	5.8%	(44,040)	-24.2%
Feb	843,278	8.1%	511,173	8.5%	805,520	8.5%	545,553	8.5%	653,225	7.6%	524,891	8.0%	603,758	8.1%	182,945	8.3%	596,884	134,997	731,880	(6,874)	-1.1%	(47,948)	-26.2%
Mar	981,406	9.4%	546,381	9.1%	839,716	8.9%	573,232	8.9%	745,030	8.6%	618,910	9.4%	672,406	9.0%	200,859	9.1%	649,655	161,150	810,805	(22,751)	-3.4%	(39,709)	-19.8%
Apr	889,432	8.5%	519,085	8.6%	751,690	8.0%	529,810	8.2%	707,897	8.2%	551,950	8.4%	616,376	8.2%	185,124	8.4%	733,727	134,971	868,698	117,351	19.0%	(50,152)	-27.1%
May	1,012,814	9.7%	530,566	8.8%	1,022,455	10.8%	536,602	8.4%	910,657	10.5%	527,997	8.0%	776,152	10.3%	184,629	8.4%	0	0	0	(776,152)	-100.0%	(184,629)	-100.0%
June	991,963	9.5%	463,067	7.7%	792,456	8.4%	531,104	8.3%	771,392	8.9%	546,927	8.3%	670,056	8.9%	177,894	8.1%	0	0	0	(670,056)	-100.0%	(177,894)	-100.0%
July	800,398	7.7%	535,915	8.9%	700,948	7.4%	550,364	8.6%	794,910	9.2%	566,462	8.6%	606,812	8.1%	191,134	8.7%	0	0	0	(606,812)	-100.0%	(191,134)	-100.0%
Aug	944,440	9.0%	517,022	8.6%	828,907	8.8%	543,354	8.5%	688,792	8.0%	558,192	8.5%	644,438	8.6%	187,114	8.5%	0	0	0	(644,438)	-100.0%	(187,114)	-100.0%
Sept	823,499	7.9%	473,233	7.9%	723,872	7.7%	549,188	8.5%	733,870	8.5%	507,361	7.7%	600,751	8.0%	176,790	8.0%	0	0	0	(600,751)	-100.0%	(176,790)	-100.0%
TOTAL	10,446,818	100.0%	6,025,254	100.0%	9,452,259	100.0%	6,423,999	100.0%	8,644,864	100.0%	6,585,250	100.0%	7,500,000	100.0%	2,200,000	100.0%	4,462,161	1,558,005	6,020,167				

ADJUSTED CUMULATIVE BASED ON ACTUAL....

	SIMULCAST								CASINO TAX								FY/08		FY/08 ACTUAL / Projected			Simulcast Variance		Casino Tax Variance		Total Variance		
	FISCAL 2005		FISCAL 2006		FISCAL 2007		3 YR AVERAGE		FISCAL 2005		FISCAL 2006		FISCAL 2007		3 YR AVERAGE													
	ACTUAL REVS	mo as % of tot	ACTUAL REVS	mo as % of tot	ACTUAL REVS	mo as % of tot		mo as % of tot	ACTUAL REVS	mo as % of tot	ACTUAL REVS	mo as % of tot	ACTUAL REVS	mo as % of tot		mo as % of totAL	Budgeted Simulcast	Budgeted Casino Tax	Simulcast REVS	Casino Tax REVS	TOTAL	\$	%	\$	%	\$	%	
							\$																					
October	712,325	6.8%	648,132	6.9%	589,027	6.8%	649,828	6.8%	479,385	8.0%	526,163	8.2%	514,400	7.8%	506,649	8.0%	512,227	175,694	ACTUAL	637,008	316,718	953,726	124,781	24.4%	141,024	80.3%	265,805	38.6%
November	1,618,054	15.5%	1,488,970	15.8%	1,185,399	13.7%	1,430,808	15.0%	946,634	15.7%	1,019,929	15.9%	1,055,812	16.0%	1,007,459	15.9%	1,123,830	349,220	ACTUAL	1,261,751	648,827	1,910,578	137,921	12.3%	299,607	85.8%	437,528	29.7%
Dec	2,408,764	23.1%	2,161,179	22.9%	1,801,125	20.8%	2,123,689	22.3%	1,425,603	23.7%	1,543,068	24.0%	1,635,583	24.8%	1,534,751	24.2%	1,668,904	531,798	ACTUAL	1,804,665	989,213	2,793,878	135,761	8.1%	457,415	86.0%	593,176	27.0%
Jan	3,159,588	30.2%	2,986,694	31.6%	2,639,091	30.5%	2,928,458	30.8%	1,928,811	32.0%	2,064,792	32.1%	2,182,560	33.1%	2,058,721	32.4%	2,309,251	713,512	ACTUAL	2,481,896	1,126,888	3,608,784	172,646	7.5%	413,376	57.9%	586,021	19.4%
Feb	4,002,866	38.3%	3,792,214	40.1%	3,292,316	38.1%	3,695,799	38.8%	2,439,984	40.5%	2,610,345	40.6%	2,707,451	41.1%	2,585,927	40.8%	2,913,008	896,457	ACTUAL	3,078,780	1,261,885	4,340,665	165,771	5.7%	365,428	40.8%	531,199	13.9%
Mar	4,984,272	47.7%	4,631,930	49.0%	4,037,346	46.7%	4,551,183	47.8%	2,986,366	49.6%	3,183,578	49.6%	3,326,361	50.5%	3,165,435	49.9%	3,585,414	1,097,316	ACTUAL	3,728,435	1,423,034	5,151,469	143,020	4.0%	325,718	29.7%	468,739	10.0%
Apr	5,873,704	56.2%	5,383,620	57.0%	4,745,243	54.9%	5,334,189	56.1%	3,505,451	58.2%	3,713,388	57.8%	3,878,311	58.9%	3,699,050	58.3%	4,201,790	1,282,440	ACTUAL	4,462,161	1,558,005	6,020,167	260,371	6.2%	275,566	21.5%	535,937	9.8%
May	6,886,518	65.9%	6,406,075	67.8%	5,655,900	65.4%	6,316,164	66.4%	4,036,017	67.0%	4,249,989	66.2%	4,406,308	66.9%	4,230,771	66.7%	4,977,942	1,467,068		5,283,605	1,698,005	6,981,610	305,662	6.1%	230,937	15.7%	536,599	8.3%
June	7,878,481	75.4%	7,198,531	76.2%	6,427,292	74.3%	7,168,101	75.3%	4,499,084	74.7%	4,781,093	74.4%	4,953,235	75.2%	4,744,471	74.8%	5,647,999	1,644,962		5,952,309	1,838,005	7,790,314	304,310	5.4%	193,043	11.7%	497,353	6.8%
July	8,678,879	83.1%	7,899,480	83.6%	7,222,202	83.5%	7,933,520	83.4%	5,034,999	83.6%	5,331,457	83.0%	5,519,697	83.8%	5,295,384	83.5%	6,254,811	1,836,097		6,636,557	1,978,005	8,614,562	381,746	6.1%	141,909	7.7%	523,654	6.5%
Aug	9,623,319	92.1%	8,728,387	92.3%	7,910,994	91.5%	8,754,233	92.0%	5,552,021	92.1%	5,874,811	91.5%	6,077,889	92.3%	5,834,907	92.0%	6,899,249	2,023,210		7,323,101	2,118,005	9,441,106	423,852	6.1%	94,795	4.7%	518,647	5.8%
Sept	10,446,818	100.0%	9,452,259	100.0%	8,644,864	100.0%	9,514,647	100.0%	6,025,254	100.0%	6,423,999	100.0%	6,585,250	100.0%	6,344,834	100.0%	7,500,000	2,200,000		7,959,203	2,258,005	10,217,208	459,203	6.1%	58,005	2.6%	517,208	6.9%

NOTE: The sharp drop in Casino Tax Revenue, beginning in January 2008 is due to a stipulation in the Casino Tax Law, which states that when a casino opens their permanent facilities the tax is no longer required to be paid. The MGM and The Motor City Casino both opened permanent facilities. That leaves the Greek Town Casino as the only one required to pay the tax.

AG EQUINE INDUSTRY DEVELOPMENT FUND - FY 2008 REVENUES

REVENUE	OCTOBER 2007			NOVEMBER 2007			DECEMBER 2007			JANUARY 2008			FEBRUARY 2008			MARCH 2008			Total
	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	
<b>SIMULCAST TAX</b>																			
Great Lakes	11,754	19,964	31,717	3,662	5,651	9,313	0	0	0	0	0	0	0	0	0	0	0	0	41,030
Hazel Park	87,479	194,542	282,021	90,104	170,722	260,826	91,541	152,892	244,433	101,531	176,867	278,398	100,095	181,774	281,869	106,861	196,375	303,236	1,650,783
Jackson	9,547	14,383	23,931	11,895	13,248	25,143	13,016	13,215	26,231	15,401	17,138	32,539	12,800	14,098	26,898	16,019	15,457	31,476	166,217
Mt. Pleasant	1,077	3,742	4,819	1,131	3,805	4,936	1,843	3,070	4,913	1,527	2,956	4,483	1,485	2,809	4,294	3,423	6,550	9,973	33,416
Northville Downs	0	0	0	0	0	0	0	0	0	64,842	131,076	195,918	62,269	145,871	208,140	63,586	154,328	217,915	621,973
Northville Racing Corp	57,352	156,503	213,855	57,846	146,065	203,911	59,112	121,417	180,530	12,535	40,432	52,966	0	0	0	0	0	0	651,261
Saginaw	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
Sports Creek	31,227	42,359	73,586	34,627	40,990	75,616	36,018	34,930	70,948	34,888	43,110	77,998	31,352	38,759	70,112	36,972	45,100	82,071	450,331
MAIN Adjustments	0	0	0	0	0	0	0	0	0	0	0	0			0			0	0
TOT SIMUL TX REV	198,436	431,492	629,928	199,265	380,480	579,745	201,530	325,524	527,054	230,724	411,578	642,302	208,001	383,312	591,313	226,860	417,810	644,670	3,615,012
<b>OTHER</b>																			
Occupational Lics			3,875			41,643			14,455			29,615			4,055			3,625	97,268
Horse Race Lics						1,000						3,200			10				4,210
Racing Fines			3,075			2,025			950			1,225			1,500			1,300	10,075
Other Misc Revs			130			330			455			889			6			60	1,870
TOTAL OTHER REV	0	0	7,080	0	0	44,998	0	0	15,860	0	0	34,929	0	0	5,571	0	0	4,985	113,423
TOTL REVS NO OUTS	198,436	431,492	637,008	199,265	380,480	624,743	201,530	325,524	542,914	230,724	411,578	677,231	208,001	383,312	596,884	226,860	417,810	649,655	3,728,435
UNCASHED TICKETS			95,703									28,535						408,610	532,847
MI GAMING REVENUE			316,718			332,109			340,386			137,675			134,997			161,150	1,423,034
TOTAL REVS	198,436	431,492	1,049,429	199,265	380,480	956,852	201,530	325,524	883,300	230,724	411,578	843,440	208,001	383,312	731,880	226,860	417,810	1,219,415	5,684,317
REVENUE	APRIL 2008			MAY 2008			JUNE 2008			JULY 2008			AUGUST 2008			SEPTEMBER 2008			Total
	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	Stdbred	Thgbred	Total	
<b>SIMULCAST TAX</b>																			
Great Lakes			0			0			0			0			0				41,030
Hazel Park	116,260	218,569	334,829			0			0			0			0				1,985,612
Jackson	16,394	18,261	34,656			0			0			0			0				200,872
Mt. Pleasant	1,956	4,484	6,440			0			0			0			0				39,857
Northville Downs	74,275	177,018	251,293			0			0			0			0				873,266
Northville Racing Corp			0			0			0			0			0				651,261
Saginaw			0			0			0			0			0				0
Sports Creek	38,943	55,506	94,449			0			0			0			0				544,780
Undist. Simulcast Rev			0												0				4,336,678
TOT SIMUL TX REV	247,829	473,838	721,667	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,336,678
<b>OTHER</b>																			
Occupational Lics			7,804																105,072
Horse Race Lics			0																4,210
Racing Fines			4,065																14,140
Other Misc Revs			191																2,061
TOTAL OTHER REV	0	0	12,060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	125,483
TOTL REVS NO OUTS	247,829	473,838	733,727	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,462,161
UNCASHED TICKETS						0			0			0			0			0	532,847
MI GAMING REVENUE			134,971																1,558,005
TOTAL REVS	247,829	473,838	868,698	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,553,014

NOTE: Breakdown of the Simulcast Horse Race Revenue is available upon request.